

Westfall



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Cadd Management Services, Inc.

File: B-239116

Date: July 24, 1990

Dallas B. Noyes, for the protester.
Lee M. Payne, for Imagenet Systems, Inc., B.S. Dhillon, for Dhillon Engineers, Inc., Joseph G. Karroum, for K-M Incorporated, and Jerry W. Harmon, for Tech-Draft, Inc., interested parties.
Sherry Kinland Kaswell, Esq., Office of the Solicitor, Department of the Interior, for the agency.
Jennifer Westfall-McGrail, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that proposal was improperly excluded from competitive range based on price is denied where record does not support protester's contention that in determining its price it relied on information not revealed to other offerors as to the true scope of work, and thus that protester effectively was the only offeror whose price accurately reflected the solicitation requirements.

DECISION

Cadd Management Services, Inc. protests the exclusion from the competitive range of its proposal under request for proposals (RFP) No. 9-SP-10-10710, issued by the Department of the Interior for engineering drafting services for the Grand Coulee Dam. Cadd's proposal was excluded from the competitive range because its price was so much higher than the prices of other offerors whose proposals had received similar technical scores that it was not considered to have a reasonable chance of receiving an award. Cadd contends that the exclusion of its proposal based on price was improper since its higher price reflected the fact that it, unlike other offerors, understood the true scope of the work to be performed.

We deny the protest.

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The RFP contemplated the award of a firm, fixed-price contract for drafting services for basic and optional performance periods extending through September 1994. The solicitation indicated that the majority of the drafting would involve electrical drawings and that an estimated 1,250 drawings per year would need to be redrawn, revised, or created. The drawings were divided into four categories: those requiring light density changes (defined as less than 20 changes per drawing); those requiring medium density changes (20 to 50 revisions per drawing); those requiring high density changes (50 to 100 revisions per drawing); and redrawn or newly created drawings. The solicitation schedule contained an estimate of the number of drawings that would be required in each category for each year, and asked offerors for a price per drawing. Two sample drawings--one of a typical electrical schematic and the other of a typical electrical wiring diagram--were included in the solicitation, and offerors were instructed that additional samples would be available for their inspection at the project site. The RFP also informed offerors that in the evaluation of proposals, technical competence would be worth 60 percent and price 40 percent.

A number of proposals were received in response to the RFP. The technical evaluators determined that Cadd's technical proposal was acceptable and did not require further clarification or revision. The contracting officer determined that Cadd's proposal should not be included in the competitive range, however, since its proposed price was so much higher than the proposed prices of other firms that had received similar technical scores and that it did not, therefore, have a reasonable chance of receiving an award.

Cadd alleges that the reason that its price was higher than its competitors' prices was that it was informed by the agency's technical representative during its visit to the job site that 20 to 30 percent of the drafting would involve structural and mechanical, as opposed to electrical, drawings. According to the protester, structural and mechanical drawings take two to three times as long to draw as electrical drawings since they must be drawn to scale. Cadd contends that it was the only offeror that received this information and that other offerors' prices would have been higher if they had realized the number of structural and mechanical drawings that would be required.

In response, the agency's technical representative denies that he informed Cadd's representatives that 20 to 30 percent of the work would involve structural or mechanical drawings. According to the technical representative's sworn statement, he told Cadd personnel during their site visit

that approximately 90 percent of the drawings were electrical drawings and approximately 10 percent were mechanical or structural. The technical representative further avows that all of the offerors that visited the job site inquired as to the percentage of the drawing work involving mechanical or structural, as opposed to electrical drawings, and that all were told that approximately 90 percent of the work would involve electrical drawings.

Even assuming, as Cadd contends, that it was told that 20 to 30 percent of the work would be structural or mechanical, we see no evidence that the protester relied on this information to its prejudice. Specifically, we note that in Cadd's "cost proposal,"^{1/} it stated:

"Note that the cost[s] are for electrical drawings similar to those reviewed at the engineering offices. Some of the new drawings for mechanical and civil drawings are likely to take much longer than the electrical drawings."

In our view, this language directly contradicts the protester's position that its proposed prices were significantly higher than its competitors' prices because it took into account its knowledge that 20 to 30 percent of the drafting work would involve structural or mechanical drawings, which would take significantly longer to complete than electrical drawings. Instead, this excerpt from the protester's proposal indicates that although it recognized that mechanical and structural drawings would be required and that they would require more time than the electrical drawings, it had based its cost (i.e., price) proposal on the electrical drawings only.

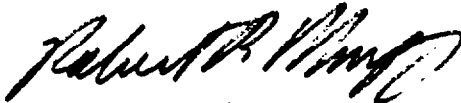
Furthermore, even assuming that Cadd did take into consideration in determining its prices its understanding that approximately one quarter of the work would involve structural or mechanical drawings that would take two to three times as long as the electrical drawings to complete, we do not think that it was prejudiced by its reliance on this information. We have reviewed Cadd's "cost proposal" and find that even if its price for 20 to 30 percent of the work had been two to three times lower, its overall price

^{1/} It is evident from the protester's proposal that it misunderstands the type of contract that is to be awarded pursuant to this RFP. Although the solicitation explicitly provides that award of a firm, fixed-price contract is contemplated, it is clear that the protester anticipates the award of a cost-type contract.

would still have been substantially higher than the prices of the other proposals of equal technical merit in the competitive range. We thus see no reason to conclude that Cadd would have been included in the competitive range even if its price were adjusted for the additional costs Cadd maintains it factored into its proposal.

Finally, even if no other offerors were given the information Cadd states it received during the site visit, we see no reason to assume, as Cadd does, that the other offerors based their prices on producing a lower percentage of the more costly non-electrical drawings. The RFP stated only that a "majority" of the drawings would be electrical, thereby advising offerors that a significant portion (conceivably up to 49 percent) of the work would involve non-electrical drawings. Based on the RFP language, an offeror thus reasonably could assume that a greater percentage of the work (i.e., more than the 20 to 30 percent Cadd states it relied on) would involve the more costly non-electrical drawings, and price its offer accordingly.

The protest is denied.



for James F. Hinchman
General Counsel